

## FOURTH DAY

*Monday the 24th March, 1952.*

The Legislative Assembly met in the Assembly Hall, Public Gardens, at Fifty Five Minutes Past Four of the clock, Mr. Speaker (The Hon'ble Shri Kashinath Rao Vaidya) in the Chair.

### Observations of the Chair

مسٹر اسپیکر - آج کی کارروائی شروع کرنے سے پہلے مجھے ایک چیز ہاؤز کے سامنے لانا ہے وہ یہ کہ میرے پاس ایک درخواست کل صبح دس بجکر چالیس منٹ کو پیش کی گئی تھی جو آپ کو پڑھکر سنا تا ہوں -

“Sir, We the following members of the Assembly respectfully beg to submit that as we are opposed to the Nizam as Rajpramukh against the will of the people of Hyderabad, we, in protest, will be leaving the Assembly Hall today.

Yours respectfully.”

اس درخواست پر ۶۷ دستخطیں ہیں - واقعہ یہ ہے کہ کل میرے اور راج پرملک کے یہاں آنے کے بعد جب میں نے اپنی سیٹ لی اس کے بعد چند آنریبل ممبرس یہاں سے چلے گئے اس وقت تک میں نے ہاؤز کو آرڈر - آرڈر (Order, Order) نہیں کہا تھا اور اس وقت میں یا راج پرملک کھڑے بھی نہ تھے - یہ جو درخواست دی گئی ہے اس میں کہا گیا ہے کہ

“Sir, We the following members of the Assembly respectfully beg to submit that as we are opposed to the Nizam as Rajpramukh against the will of the people of Hyderabad, we, in protest, will be leaving the Assembly Hall today.

Yours respectfully.”

اس وجہ سے میں یہ کہنے کی ضرورت محسوس کرتا ہوں کہ آنریبل ممبرس نے اگر ان کے ساتھ میں نے ۲۱ تاریخ کو جو حلف اٹھایا ہے وہ کانسٹی ٹیوشن (Constitution) کے تحت تھا - جملہ ارکان کانسٹی ٹیوشن سے واقف ہیں - میں صرف یاد دلانا چاہتا ہوں کہ

Rajpramukh is an institution created by the Constitution and thus forms part of the Constitution.

راج پرملک کانسٹی ٹیوشن کے تحت یہاں آتے ہیں - یہ عمل کانسٹی ٹیوشن کے تحت ہونے کی وجہ سے اس پر پروٹسٹ (protest) کرنا یا یہاں سے چلا جانا نامناسب ہے یہ ایسا مسئلہ ہے جسکو میں نہیں چاہتا کہ ڈسکشن (discussion) کے طور پر

لایا جائے۔ اگر مجھ سے اجازت چاہی جاتی تو ظاہر ہے کہ میں منظور نہ کرتا۔ یہ چیز چونکہ میرے سامنے آئی تھی اس لئے میں نے یہ مناسب سمجھا کہ اسے ہاؤز کے سامنے لاؤں۔

### **Introduction of L. A. Bill No. 1.**

*The Hon'ble Shri B. Ramakrishna Rao (Chief Minister):* Mr. Speaker, Sir, I beg to introduce the Legislative Assembly Bill No. I, The Hyderabad Public Service Commission Regulation (Repealing) Bill, 1952.

*Mr. Speaker.* The Legislative Assembly Bill No. I, the Hyderabad Public Service Commission Regulation (Repealing) Bill, 1952, is introduced.

### **Presentation of the Budget**

اب ٹھیک پانچ بجے ہیں۔ آنریبل فنانس منسٹر بجٹ پیش کریں گے۔

*The Hon'ble Dr. G. S. Melkote (Finance Minister):* I rise to present to the House the "Interim" budget estimate for the year 1952-53. I have called it an "Interim" budget because it has been prepared by the former Ministry and I and my colleagues in the present Government have not had sufficient time to formulate the policy on the basis of which the budget for 1952-53 should be finally framed.

The financial year is drawing to a close and it is necessary, under the Constitution, to place the Executive, in sufficient funds for maintaining the continuity of normal administration till such time that the House meets again and finally approves the budget proposals for 1952-53. I shall, therefore, later in this session, move the House to sanction a "Vote on account", which would be sufficient to cover roughly the estimated expenditure up to the end of June, 1952.

The receipts in this budget have been estimated on the basis of existing taxation, while estimated expenditure is intended to cover all existing standing charges and such new items as are only technically "New" but otherwise are continued from year to year.

These proposals are being examined in further detail and, when the House meets again (early next year) after a few days, I shall place before the House the new items of expenditure that may have to be provided and also the taxation proposals which might be necessary to bridge the gap between revenue and the final expenditure proposals for 1952-53.

I shall now proceed to indicate the broad outlines of the actuals for 1950-51 and revised estimates for 1951-52, and shall then briefly explain the salient features of the budget estimates for 1952-53. The details of the revised estimates for current year and budget estimates for next year have been fully discussed in Finance Secretary's Explanatory Memorandum which has been laid before the House along with the budget.

*Actuals 1950-51.*

The revenue receipts for 1950-51 were Rs. 30 crores 54 lakhs and expenditure was Rs. 32 crores 14 lakhs, thus resulting in a large deficit of Rs. 1 crore 60 lakhs. This was mainly due to two items of receipts due from the Government of India, amounting to about Rs. 88 lakhs (Government share of surplus earnings of N.S. Railway for pre-integration period Rs. 55 lakhs, and interest on Centre's share of Public Debt Rs. 33 lakhs) not having been collected before the close of the year. These have, however, since been received. The real deficit was, therefore, about Rs. 72 lakhs which was principally due to the actual expenditure on Police and a few other items exceeding the estimated provision. The capital expenditure on irrigation projects, power schemes, etc., was Rs. 609 lakhs.

*Revised Estimates for 1951-52.*

The revised estimates for 1951-52 indicate total revenue receipts of Rs. 33 crores 93 lakhs and expenditure of Rs. 33 crores 92 lakhs, thus resulting in a nominal surplus of about a lakh of rupees, as against the estimated gross deficit of Rs. 78 lakhs. This improvement in revenue results is due mainly to an increase of Rs. 115 lakhs under Customs. The capital expenditure in 1951-52 is estimated at Rs. 875 lakhs.

*Budget Estimates for 1952-53.*

I now turn to the budget estimates for 1952-53.

Revenue receipts are estimated at Rs. 30 crores 99 lakhs, while service expenditure has been placed at Rs. 31 crores 52 lakhs. There is thus a revenue deficit of Rs. 53 lakhs.

The principal sources of receipts are : Land Revenue (Rs. 550 lakhs), State Excise Duties (Rs. 1,130 lakhs), Customs (Rs. 400 lakhs), Sales Tax (Rs. 150 lakhs), Forest (Rs. 105 lakhs), Interest (Rs. 73 lakhs), Stamps (Rs. 56 lakhs), Surcharge on cash crops (Rs. 55 lakhs), Road Transport (Rs. 58 lakhs), Grant-in-aid from Centre (Rs. 135 lakhs) and food subsidy expected to be received from Central Government (Rs. 58 lakhs). Of these, Customs, Sales Tax and Food Subsidy deserve special mention.

*Customs and Sales Tax.*

Under the existing arrangements Customs duties and export surcharges have to be totally abolished by the end of 1953-54. A beginning in this direction was made last year and exemptions and reductions have already been allowed to the extent of Rs. 120 lakhs during the last two years. Ordinarily, therefore, a further reduction of about Rs. 100 lakhs should be allowed next year, with a further reduction of about Rs. 150 lakhs in 1953-54 and total abolition from 1954-55. The estimates for 1952-53, however, provide for a revenue of Rs. 4 crores from this source which is based on the existing rates and scope of Customs duties.

The pace of reduction of Customs duties, necessarily depends on the prospects of Sales Tax which is being developed as an alternative source of revenue.

In these estimates, no increase has been proposed in the present rates of Sales Tax. As indicated already, the entire taxation policy of the Government is under review and proposals will be laid before the House when it meets again for detailed discussion on the budget proposals for 1952-53.

*Food Subsidy.*

The Government of India have recently announced their decision to abolish food subsidies hitherto given to State Governments for meeting the losses on sale of foodgrains at subsidized rates. A representation has already been made to the Government of India that the finances of Hyderabad are not in a position to bear this loss without any financial assistance from the Centre. A credit of Rs. 58 lakhs has, however, been taken on this account.

*Expenditure.*

The main items on the expenditure side are : Land Revenue (Rs. 163 lakhs), State Excise Duties (Rs. 104 lakhs), Interest (Rs. 108 lakhs), Contribution to Sinking Fund (Rs. 149 lakhs), General Administration (Rs. 99 lakhs), Police (Rs. 498 lakhs), Education (Rs. 505 lakhs), Medical and Public Health (Rs. 181 lakhs), Agriculture (Rs. 88 lakhs), Civil Works and Irrigation (Rs. 300 lakhs), Pensions (Rs. 245 lakhs) and Payments to Jagirdars (Rs. 165 lakhs).

The item which requires special mention is Police. The current year's revised estimate of expenditures on Police is Rs. 674 lakhs of which about Rs. 300 lakhs are accounted for by expenditure on the contingents of Police force on deputation here from other States and the six battalions of armed Police raised locally

early this year, for replacement of the Union Police. The bulk of the Union Police has already been returned and the remaining few units will also be returned within the next one or two months. As a result of this decision, it has been, possible to bring down the expenditure on Police from Rs. 674 lakhs in the revised estimate to Rs. 498 lakhs next year. I am certain, my colleague the Hon'ble the Home Member would co-operate with me in the coming year to reduce this figure further. Even this figure is considered as high. Further reduction, however, depends, to a large measure, on the situation of law and order which requires constant vigilance.

#### *Development Plans.*

In the current year's budget a sum of Rs. 75 lakhs had been provided for undertaking the first year's programme of the Five Year Development Plans for Agriculture, Education, Medical and Public Health, etc. The budget estimate for 1952-53 includes necessary provisions for the continuation of the schemes already sanctioned, but no fresh grants have been provided for taking up new schemes, for which the Development Plans envisage additional grants of about Rs. 85 lakhs in 1952-53. As already pointed out, the budget estimates, as they stand, show a revenue deficit of Rs. 53 lakhs. The execution of this programme will, therefore, depend on the economies that we may be able to effect in public expenditure, financial assistance from the Centre and improvement in the revenues of the State Government either from the existing resources or by introducing new taxes.

#### *Capital Expenditure.*

The budget estimates for 1952-53 provide for a capital expenditure of Rs. 872 lakhs as against Rs. 900 lakhs in the budget and Rs. 875 lakhs in the revised estimate for current year. The important items are : Irrigation Projects (Rs. 514 lakhs), Electricity Schemes (Rs. 68 lakhs), Multi-purpose Godavary Valley Scheme (Rs. 124 lakhs) and Road Transport (Rs. 50 lakhs).

#### *Cash Balance.*

The year 1951-52 opened with a cash balance of Rs. 14 crores 19 lakhs and, after meeting the capital requirements and other current obligations, it is expected to close with a balance of Rs. 6 crores 88 lakhs, which includes Rs. 2 crores 29 lakhs held in London banks. The net available cash balance of Rs. 4 crores 59 lakhs will, therefore, have to be considerably augmented, by means of fresh loans from the Central Government and other sources, for financing the capital programme of 1952-53.

### Conclusion.

In the end I should like to say that the budget prospects are no doubt gloomy and the present recession in prices may adversely affect the income from Customs and Sales Tax, and we may have to seek fresh avenues of taxation for meeting the increasing demands for nation-building activities, but I am confident that if we face the future with courage and resolute determination, we shall soon overcome the present difficulties and lead the country to the path of prosperity and contentment.

Jai Hind !

مسٹر اسپیکر - اس سال کا پورا بجٹ آئندہ پیش ہوگا۔ اس وقت ممکن ہے گورنمنٹ کی جانب سے بھی کچھ تبدیلیاں کی جائیں ایسی صورت میں میں سمجھتا ہوں کہ اس وقت ہمیں موجودہ بجٹ پر زیادہ بحث کا موقع نہیں ہے کیونکہ پورا بجٹ آئندہ سشن میں ہمارے سامنے آئیگا لیکن پھر بھی جو ارکان یہ چاہتے ہوں کہ موجودہ بجٹ کے جنرل پرنسپلس (General principles) پر بحث کریں تو انہیں کل اس کا موقع دیا جائے گا۔ کل ہاؤز کی کارروائی دو بجے سے شروع ہوگی۔ اگر ہم کل دس بجے یا ساڑھے دس بجے کا وقت مقرر کریں تو ظاہر ہے کہ ارکان کو اس بجٹ پر غور کرنے کے لئے کافی وقت نہ مل سکے گا اس لئے کل کی کارروائی دو بجے سے شروع کی جانی مناسب ہے۔ بجٹ نوٹ اور موشن پر بھی بحث ہوگی۔

*Shri V. D. Deshpande (Ippaguda)* : Sir, on a point of order, I would like to draw your attention to Rule 122 A (3) wherein it has been said :—

“ A copy of the Budget shall be despatched to each member of the Assembly at least ten days prior to the first of the days allotted for the voting of demands under Rule 125 A and at least five days prior to the first of the days allotted for the general discussion of the Budget.”

May I therefore request you, Sir, that as per this Rule, five days' time may be given before the general discussion.

مسٹر اسپیکر - یہ رول جسکی طرف آنریبل ممبر نے اشارہ کیا ہے جنرل بجٹ سے متعلق ہے۔ میں آپکو رول نمبر (۱۳۰) ای، کی طرف متوجہ کرنا چاہتا ہوں جو یہ ہے کہ

“ On any day subsequent to the presentation of the budget but before 31st March a motion may be made for any grant in advance in respect of the estimated expenditure for a part of any financial year.”

آپ نے جس رول کا حوالہ دیا ہے وہ پورے فنانشیل ایر (Financial year) کے تعلق سے درست ہو سکتا ہے لیکن پارٹ کیلئے رول نمبر (۱۳۰) ای، متعلق ہوگا۔ اگر پورا بجٹ ڈسکشن (discussion) کے لئے لیا جاتا تو وہ رول صحیح ہوتا۔ (موجودہ صورت میں میں سمجھتا ہوں کہ رول (۱۳۰) ای، اس سے متعلق ہوگا۔

*Shri V. D. Deshpande (Ippaguda):* On any subsequent 'day' need not necessarily mean tomorrow and one more point which I will bring to your notice, Sir, is that you have already expressed the view that the Leader of the Congress Party, the ruling party, will consult the leader of opposition and decide the programme and also the time of every day sitting. But we find that no prior consultation is held and the programme is laid down as per the convenience of the Congress Party; yesterday also it was done like that. Sir, I requested the Chief Minister that a healthy practice may be laid down, i.e., of consulting the leaders of opposition and other parties, so that the proceedings of the House may be carried with more convenience. With this view in end, I request you, Sir, once more to postpone the discussion on the budget to 27th and give us at least two days' time to ponder over the budget and discuss it properly.

*Mr. Speaker:* The point is that we have to pass this part budget before the 31st March in any case. It is said that the programme was fixed after consulting the Chief Minister or the leader of the Congress Party, but it was not so. It was on account of the convenience of the House that I fixed up tomorrow. No consultation was made with anybody. The suggestion that we should consult the opposition leader will be carried on later. I have already decided and announced that there will be discussion tomorrow at 2 P.M. The point raised by the opposition leader will be taken into consideration when the motion will be moved. So we adjourn till 2 P.M. tomorrow

*Hon'ble Dr. Chenna Reddy (Agriculture & Supply Minister :)*  
Is it that we meet everyday in the afternoon at 2 P.M. or only for tomorrow?

*Mr. Speaker :* That, of course, I shall decide after consulting the leaders of all parties. The time that would be convenient to all would be fixed. But personally I think we are following the Bombay practice and the Bombay Legislative Assembly usually meets from 2 P.M. to 7 P.M. We may follow the same hours provided all of you agree.

شری لکشمی نواس گنپوال (راما پٹھ) - میں آپکی توجہ لاؤڈ اسپیکرس  
( Loud-speakers ) کی جانب مبذول کرانا چاہتا ہوں - بعض لاؤڈ اسپیکرس ٹھیک  
طور پر کام نہیں کرتے - انکی درستی کا انتظام کیا جائے -  
مسٹر اسپیکر - اس بارے میں آج ہی میں نے ہدایات دیئے ہیں -

Now the House adjourns.

The Assembly then adjourned till Two of the clock on Tuesday, the 25th March, 1952.